



July 22, 2005

BY HAND-DELIVERY

Mr. Kevin Brannelly, Director
Rates and Revenue Requirements Division
Department of Telecommunications and Energy
One South Station, 2nd floor
Boston, MA 02110

Re: D.T.E. 99-60 - Fitchburg Gas and Electric Light Company,
Default Service Tariff Filing M.D.T.E. No. 123 for September 1,
2005

Transmittal Letter

Dear Mr. Brannelly:

Fitchburg Gas and Electric Light Company d/b/a Unitil ("Unitil") hereby submits two copies of Tariff Sheet No. 123 to implement Unitil's revised Default Service prices effective September 1, 2005. The tariff sheet incorporates the new prices in both redlined and final version. The results of Unitil's Request for Proposals ("RFP") are being filed with the Department today under separate cover.

Unitil will continue to notify customers of the changes in the default service rates in compliance with the Order in D.T.E. 99-60-C using notices developed in conjunction with the default service education working group and the Department's Consumer Division. Unitil will also post its approved rates on its website and make them available via a toll free number at least 30 days in advance of September 1, 2005.

Pursuant to the Motion for Protective Treatment filed today under separate cover, Unitil seeks to protect from public disclosure the wholesale prices bid in response to its RFP. Accordingly, Unitil is filing the original and one copy of the tariff sheets which contain the confidential version of Attachment 1 with Secretary Cottrell. Copies of the filing containing redacted versions of Attachment 1, which do not disclose the wholesale prices, have been provided to all other recipients unless otherwise noted.¹

Gary Epler
Senior Attorney

6 Liberty Lane West
Hampton, NH 03842-1720

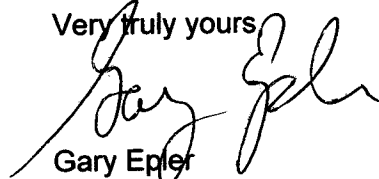
Phone: 603-773-6440
Fax: 603-773-6640
Email: epler@unitil.com

¹ Unitil is also providing copies of the filing containing the confidential material to the Attorney General (2 copies) and the Division of Energy Resources (1 copy), with whom Unitil has entered into Nondisclosure Agreements for this proceeding.

Kevin Brannelly, Director
July 22, 2005
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Please contact me should you have any additional question on this matter.

Very truly yours



Gary Epler
Senior Attorney

Enclosures

cc: Mary L. Cottrell, Secretary (w/original and 1 copy of confidential attachments)
Jeanne Voveris, Esquire, Hearing Officer
Ronald LeComte, Director, Electric Power Division
Alexander Cochis, Asst. Attorney General (2 confidential copies)
Robert Sydney, General Counsel, Division of Energy Resources (1 confidential copy)
David McKeehan, President, No. Central Mass. Chamber of Commerce
D.T.E. 99-60 Service List



July 22, 2005

BY HAND-DELIVERY

Ms. Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station, 2nd floor
Boston, MA 02110

Re: D.T.E. 99-60 - Fitchburg Gas and Electric Light Company d/b/a
Unitil, Default Service Tariff Filing M.D.T.E. No. 123 for
September 1, 2005

Letter of Explanation

Dear Ms. Cottrell:

Today, Fitchburg Gas and Electric Light Company d/b/a Unitil ("Unitil") submitted its Default Service tariff rate filing, M.D.T.E. No. 123. This tariff is proposed to become effective on September 1, 2005. The tariff is based upon the results of Unitil's Request for Proposals ("RFP") for Default Service, which is being filed with the Department today under separate cover.

Enclosed with this letter is a check in the amount of \$100.00 for the required filing fee.

As discussed in more detail in the RFP filing, Unitil sought fixed monthly pricing for 100 percent of its load requirements for its large customer group, rate class GD-3, for the three month period beginning September 1, 2005.

Unitil continues to plan to purchase Renewable Energy Certificates ("RECs") as a separate product from the market for this Default Service period, as it has in prior periods. For purposes of this filing, and based upon its analysis of the current REC market, Unitil has estimated the stand-alone price of RECs that would comply with the Renewable Energy Portfolio Standards ("RPS") to be \$51.50 per MWh.¹ This rate equates to \$0.00103 per kWh for 2005 when the Renewable Energy Portfolio Standard is 2.0 percent of

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¹ As required by the Department's Order on Default Services in D.T.E. 02-40-B, issued on April 24, 2003, please see the RFP filing for a further discussion of Unitil's RPS compliance strategy.

load. This provides for compliance with 225 CMR 14.00. Unitil has included the estimates above in its proposed Default Service rates.

Unitil has used the same methodology applied to the winning bids for calculating retail rates as was used in its Default Service rate filing made with the Department on April 22, 2005 and approved on April 29, 2005. The proposed rates are summarized in Attachment 1, Page 1. As shown, the Variable Monthly Pricing Option charges differ by month. Attachment 1, page 2 demonstrates the calculation of both the variable and fixed charges. The fixed charges are equal to the retail variable charges weighted by monthly kWh sales percentages based on a forecast of monthly kWh sales.

Attachment 1, page 2, shows the kWh sales forecast at the bottom of the page. The percentages shown on lines 5 are the ratios of the monthly amounts to the totals for the period September - November 2005 for the large customer group. Consistent with prior filings, Unitil has continued to assume equal monthly usage as representative of expected usage patterns for the large general service class due to limited participation under Default Service in that class. Line 3 of Attachment 1, page 2 now shows the Default Service Cost Adder of \$0.00104 per kWh approved in D.T.E. 03-88A-F. This adder is at retail and is applied to the sum of the wholesale prices and REC's after they are adjusted for distribution losses.

Bills to large general service customers will decrease approximately 0.3%. A complete set of bill impacts is attached as Attachment 2, pages 1 through 9.

Unitil will continue to notify customers of the changes in the default service rates in compliance with the Order in D.T.E. 99-60-C using notices developed in conjunction with the default service education working group and the Department's Consumer Division. Unitil will also post its approved rates on its website and make them available via a toll free number at least 30 days in advance of September 1, 2005.

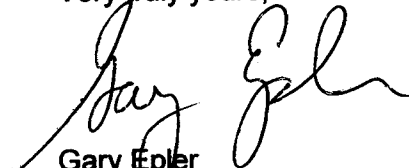
Pursuant to the Motion for Protective Treatment filed today under separate cover, Unitil seeks to protect from public disclosure the wholesale prices bid in response to its RFP. Accordingly, Unitil is filing the confidential original and one copy of the tariff sheets which contain the unredacted version of Attachment 1 with your office. Copies of the filing contain redacted versions of Attachment 1, which do not disclose the wholesale prices, have been provided to all other recipients unless otherwise noted.²

Please contact me should you have any questions concerning this matter.

² Unitil is also providing complete copies of the filing containing the confidential information to the Attorney General (two copies) and the Division of Energy Resources (one copy), with whom Unitil has entered into Nondisclosure Agreements for this proceeding.

Mary Cottrell, Secretary
July 22, 2005
Page 3

Very truly yours,



Gary Epler
Senior Attorney

cc: Jeanne Voveris, Esquire, Hearing Officer
Ronald LeComte, Director, Electric Power Division
Kevin Brannelly, Director, Rates and Revenue Requirements
Barry Perlmutter, Electric Power Division
Alexander Cochis, Asst. Attorney General (2 confidential copies)
Robert Sydney, General Counsel, Division of Energy Resources (1
confidential copy)
David McKeehan, President, No. Central Mass. Chamber of
Commerce
D.T.E. 99-60 Service List



July 22, 2005

BY OVERNIGHT MAIL

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station, 2nd floor
Boston, MA 02110

Re: D.T.E. 99-60 - Fitchburg Gas and Electric Light Company, Default
Service Tariff Filing M.D.T.E. No. 123 for September 1, 2005

Bid Evaluation Report

Dear Ms. Cottrell:

Fitchburg Gas and Electric Light Company d/b/a/ Unitil ("Unitil") hereby submits to the Department of Telecommunications and Energy ("Department") the results of its competitive solicitation for Default Service supply for the period beginning September 1, 2005, and its approach to compliance with the Renewable Portfolio Standards ("RPS") requirements. Also enclosed please find an original and nine (9) copies of Unitil's Motion for Protective Order. Under separate cover, Unitil is also submitting today new tariffs reflecting retail rate changes resulting from this new Default Service supply.

As discussed in more detail in the attached Default Service Bid Evaluation Report, the RFP was issued to procure supply of Default Service for its large customer group, rate class GD-3, on a quarterly basis as required by the Department's orders in D.T.E.02-40-C. As in its recent past solicitations, Unitil did not request that interested suppliers include along with their bids the provision of Renewable Energy Certificates for compliance with the Renewable Portfolio Standards ("RPS") in 225 CMR 14.00. The Bid Evaluation Report discusses Unitil's approach to compliance with the RPS regulations, as required by the Department's order in D.T.E. 02-40-B.

Unitil has complied with the Department's competitive bidding requirements by broadly disseminating its RFP electronically to each member of the NEPOOL Markets Committee as well as distributing its RFP to a list of parties who have expressed interest in Unitil's solicitations. From this outreach effort, Unitil received one set of bids for its large customer group in response to the RFP. Unitil then evaluated and ranked the bids, and named the winning bidder.

This filing has been made as part of D.T.E. 99-60, based on the Department's past practice. Pursuant to the enclosed Motion for Protective Treatment, Unitil is filing with your office one confidential copy of the evaluative information relative to

Gary Epler
Senior Counsel

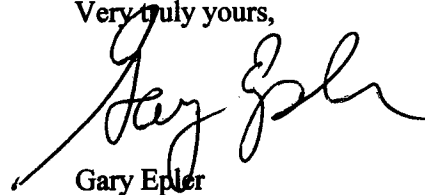
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its solicitation (in particular Tab B of the filing).¹ All other recipients, with the exceptions noted, will receive redacted copies of the filing.

Please do not hesitate to contact me should you have any questions about this filing.

Very truly yours,

A handwritten signature in black ink, appearing to read "Gary Epler", written over the typed name.

Gary Epler
Senior Counsel

Enclosure

cc: Jeanne Voveris, Esq., Hearing Officer
Kevin Brannelly, Director, Rates and Revenue Requirements
Ronald LeComte, Director, Electric Power Division
Barry Perlmutter, Electric Power Division
Alexander Cochis, Asst. Attorney General (2 confidential copies)
Robert Sydney, General Counsel, Division of Energy Resources (1 confidential copy)
David McKeehan, President, No. Central Mass. Chamber of Commerce
D.T.E. 99-60 Service List

¹ Unitil is also providing copies of the filing containing the confidential material to the Attorney General (2 copies) and the Division of Energy Resources (1 copy), with whom Unitil has entered into Nondisclosure Agreements for this proceeding.

**Fitchburg Gas and Electric Light Company Default
Service Tariff Filing M.D.T.E. No. 123 for
September 1, 2005**

**MOTION OF FITCHBURG GAS AND ELECTRIC
LIGHT COMPANY d/b/a UNITIL FOR PROTECTIVE TREATMENT**

Fitchburg Gas and Electric Light Company d/b/a/ Unitil (“Unitil”) hereby requests that the Department of Telecommunications and Energy (“Department”) grant it protection from public disclosure, in accordance with G.L. c. 25, §5, for certain confidential, sensitive and proprietary information submitted in this proceeding. Simultaneously with this Motion, Unitil is submitting the results of its solicitation for Default Service supply and supporting documentation for service effective September 1, 2005 and rendered through November 30, 2005 for its large customer group, rate class GD-3. Tab B to that filing contains competitively sensitive cost and procurement information. Unitil is also filing under separate cover its Revised Tariff to implement its new Default Service Rates, Attachment 1 of which contains the confidential wholesale prices bid in response to Unitil’s Request for Proposals (“RFP”). The original and one copy of the confidential material (Tab B and Attachment 1) has been provided to Secretary Cottrell for filing, and confidential copies have been provided each to the Attorney General (2 copies) and the Division of Energy Resources (“DOER”) (1 copy) under the terms of a pre-existing Non-Disclosure Agreement.

For the following reasons, Unitil requests that the confidential results of its Default Service RFP contained in Tab B and Attachment 1 be protected from public disclosure.

II. LEGAL STANDARD

The Department may protect from public disclosure confidential business information in accordance with G.L. c. 25 § 5D, which states in part that:

[T]he [D]epartment may protect from public disclosure, trade secrets, confidential, competitively sensitive or other proprietary information provided in the course of proceedings conducted pursuant to this chapter. There shall be a presumption that the information for which such protection is sought is public information and the burden shall be upon the proponent of such protection to prove the need for such protection. Where such a need has been found to exist, the [D]epartment shall protect only so much of the information as is necessary to meet such need.

In interpreting the statute, the Department has held that:

[T]he burden on the company is to establish the need for protection of the information cited by the company. In determining the existence and extent of such need, the Department must consider the presumption in favor of disclosure and specific reasons why disclosure of the disputed information benefits the public interest.

Berkshire Gas Co., D.P.U. 93-187/188/189/190, p. 16 (1994).

The Department has previously granted protective treatment for sensitive market information, including price terms:

The Department will continue to accord protective status when the proponent carries its burden of proof by indicating the manner in which the price term is competitively sensitive.

Standard of Review for Electric Contracts, D.P.U. 96-39, at 2, Letter order (August 30, 1996). See also Colonial Gas Co., D.P.U. 96-18 at 4 (1996) (granting protective

treatment for pricing information including all “reservation fees or charges, demand charges, commodity charges and other pricing information”).

The Department has also recognized that competitively sensitive terms in a competitive market should be protected and that such protection is desirable as a matter of public policy:

The Department recognizes that the replacement gas purchases . . . [which] are being made in a substantially competitive market should allow LDC’s to obtain lower gas prices for the benefit of their ratepayers. Clearly the Department should ensure that its review process does not undermine the LDC’s efforts to negotiate low cost flexible supply contracts for their systems. The Department also recognizes that policy of affording contract confidentiality may add value to contracts and provide benefits to ultimate consumers of gas, the LDC’s ratepayers, and therefore may be desirable for policy reasons.

Berkshire Gas Co., D.P.U. 93-187/188/189/190, p. 20 (1994).

III. CONFIDENTIAL AND COMPETITIVELY SENSITIVE INFORMATION SHOULD BE PROTECTED FROM PUBLIC DISCLOSURE

Unitil seeks Department protection from public disclosure for: (1) the data and discussion in Tab B attached to Unitil’s Default Service supply solicitation filing, in particular, the identity of the suppliers and the pricing data, and the analysis of the bids received; and (2) the wholesale pricing information in Attachment 1 to the Revised Tariff filing. The final Default Service contracts contain Unitil’s assurances that Unitil would treat all bid and contract information (particular with regard to name and price) confidential. Throughout the bidding process, the suppliers also relied on Unitil’s commitment to maintain the confidentiality of the details of their individual bids.

Moreover, although Unitil recognizes that over time, the identity of the suppliers and the pricing information may be disclosed, the harm to the participants in Unitil's RFP would be mitigated by maintaining the confidentiality of the data for as long as possible. Disclosure of the confidential supplier information would also be detrimental to the broader competitive market. The public disclosure of the pricing of Unitil's default service, if a delta from a competitive market were known, could jeopardize Unitil's competitive position and may inhibit the ability of Unitil to minimize the price paid for Default Service by its customers in the future.

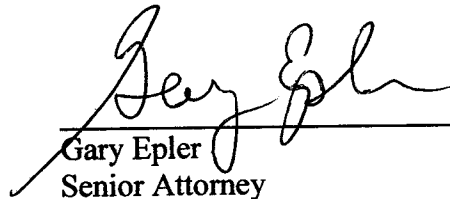
Confidential treatment of the identity of the contracting party and the detailed pricing information is appropriate to protect the Company's credibility among suppliers. As the pool of prospective suppliers is somewhat small, it could be further reduced if the market perceives greater risk from participating in future Unitil RFPs due to confidentiality concerns. Therefore, the obligation to keep the information confidential is critical to preserve the robust nature of the ongoing auction process, and to ensure continued participation by the maximum number of interested suppliers. It will optimize Unitil's ability to receive the best possible contract terms for default for its customers.

WHEREFORE, for the reasons stated above, Unitil requests that the Department grant its motion to protect from public disclosure the confidential, competitively sensitive and proprietary information regarding default service supply.

Respectfully submitted,

**FITCHBURG GAS AND ELECTRIC
LIGHT COMPANY d/b/a UNITIL**

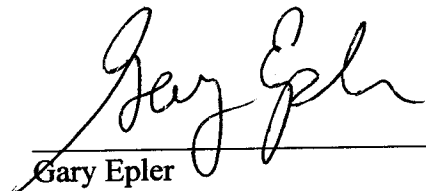
By its Attorney,



Gary Epler
Senior Attorney
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Certificate

I certify that copies of this Motion for Protective Treatment have been served this 22nd day of July, 2005, via First Class U.S. Mail, upon each entity identified on the Department's service list for this proceeding.



Gary Epler